

SELF -- SUPPORT FOR EARLY
LEARNING & FAMILIES
(A NON-PROFIT CORPORATION)

REVIEW REPORT
CALENDAR YEAR 2023

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PLYMALE & GILLESPIE CPAs, PLLC

Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
SELF -- Support for Early Learning & Families
12214 SE Mill Plain Blvd Suite 203
Vancouver, WA 98684

We have reviewed the accompanying financial statements of SELF -- Support for Early Learning & Families (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

PLYMALE & GILLESPIE CPAs, PLLC
/S/ Plymale & Gillespie CPAs, PLLC
August 24, 2024

SUPPORT FOR EARLY LEARNING AND FAMILIES
Statement of Financial Position
As of December 31, 2023

Assets

Current Assets	
Cash and Cash Equivalents	\$ 900,900
Total Cash	900,900
Accounts Receivable	185,284
Prepays and Deposits	62,156
Other Current Assets	210,955
Total Current Assets	1,359,294
Fixed Assets	
Furniture and Equipment	27,800
Software	9,079
Accumulated Depreciation	(36,879)
Total Fixed Assets	-
Total Assets	\$ 1,359,294

Liabilities and Net Assets

Current Liabilities	
Accounts Payable	\$ 38,305
Payroll Liabilities	341,524
Unearned Other Grant Revenue	302,496
Total Current Liabilities	682,325
Net Assets	
Without Donor Restriction	550,520
With Donor Restriction	126,448
	676,969
Total Liabilities and net assets	\$ 1,359,294

The accompanying notes are an integral part of these financial statements.

SUPPORT FOR EARLY LEARNING AND FAMILIES
Statement of Activities
For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Net Assets Without Donor Restriction:			
Revenues and gains			
Contributions	\$ 8,528	118,365	\$ 126,893
Program service fees released from restriction	118,365	(118,365)	-
Program service fees	9,342,265		9,342,265
Interest Income	54		54
 Total revenues, gains, and other support	 9,469,212	 -	 9,469,212
 Expenses			
Program services	8,899,721		8,899,721
Supporting services			-
Management and general	493,577		493,577
Fund-raising	4,086		4,086
 Total expenses	 9,397,384	 -	 9,397,384
 Change in net assets without donor restriction	 71,828	 -	 71,828
Temporarily net assets:			
Contributions			
Change in Restricted Net Assets	-	12,755	12,755
 Change in temporarily net assets without donor restriction	32,032	-	32,032
 Change in net assets	 71,828	 -	 71,828
Net assets at beginning of year	446,661	113,693	560,354
Net assets at end of year	\$ 550,520	\$ 126,448	\$ 676,969

The accompanying notes are an integral part of these financial statements.

SUPPORT FOR EARLY LEARNING AND FAMILIES
Statement of Functional Expenses
As of December 31, 2023

	Program Services	Management and General	Fundraising	Total
Compensation and related expenses				
Compensation	\$ 5,668,605	\$ 150,245		\$ 5,818,850
Payroll Taxes	1,731,166	104,607		1,835,773
Employee Benefi	617,593	14,242		631,835
	<u>8,017,364</u>	<u>269,094</u>		<u>8,286,457</u>
Professional Services				
Accounting		20,292		20,292
Other contracted services		31,047		31,047
Grant ESD	97,833			97,833
Other Grants	708,408			708,408
Office expenses	5,852	30,121		35,973
Conference, Conventions, meetings	19,246	4,730		23,976
Insurance		52,620		52,620
Communications	368	7,723		8,091
Fundraising			4,086	4,086
Dues and membership		1,091		1,091
Training	11,548			11,548
Events	18,210			18,210
Other Expenses	20,893	69,732		90,625
Depreciation	-	7,127		7,127
Totals	<u>\$ 8,899,721</u>	<u>\$ 493,577</u>	<u>\$ 4,086</u>	<u>\$ 9,397,384</u>

The accompanying notes are an integral part of these financial statements.

SUPPORT FOR EARLY LEARNING AND FAMILIES
Statement of Cash Flows
As of December 31, 2023

Cash flows from operating activities:	
Change in net assets	\$ 72,853
Change in net assets with donor Restrictions	12,755
Change in net assets without donor Restrictions	32,021
Increase (decrease) in operating assets	
Depreciation Expense	7,127
Accounts Receivable	15,235
Prepaid Assets	(39,575)
Other Current Assets	(19,280)
(Increase) decrease in operating liabilities	
Accounts Payable	1,610
Payroll Liabilities	(16,707)
Unearned Revenue	(43,034)
Net Cash provided by operating activities	23,007
Cash Flow from investing activities	
Purchase of Fixed Assets	-
Net Cash provided by oinvesting activities	-
Net increase incash and cash equivalents	23,007
Beginning cash and cash equivalents	877,893
Ending cash and cash equivalents	\$ 900,900

The accompanying notes are an integral part of these financial statements.

SELF -- SUPPORT FOR EARLY LEARNING AND FAMILIES

Notes to Financial Statements

December 31, 2023

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

SELF -- Support for Early Learning and Families (the Organization) is a Washington non-profit corporation formed in Clark County, Washington to increase access to quality early care and education programs and increase community investment in these programs. SELF gathers and disseminates regional data on the well-being of children and families, and brings community voice to local, state and national policy leaders. The Organization is supported through contracts, contributions and grants.

The organization contracts with Educational Service District 112 (ESD 112) to perform Early Care and Education Personnel Services. The Organization employs the early care and educational personnel that work in ESD 112's child care programs and receives cost reimbursement revenue related to the direct employee expenses in addition to an administrative fee and HR admin fee.

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting with accounting principles generally accepted in the United State of America.

Basis of presentation

Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors that may or will be met, either by actions of the Organization or the passage of time. When a restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

These notes are an integral part of the financial statements.

Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. The Organization maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. To date, the Organization has not experienced any losses.

Receivables and Credit Policies

Accounts receivable consist primarily of noninterest-bearing amounts due for administrative services and contracted or grant programs. Management determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. As December 31, 2023 the allowance was deemed to be \$0.

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Private grants and contributions received are recorded as with or without donor restrictions, depending on the existence or nature of donor restrictions and are recorded in the period earned. All unconditional contribution and donations received are available for general use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Organization is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2022,2021,2020 are subject to examination by the IRS, generally for three years after they were filed. In addition, the Organization is subject to income tax on net income that is

These notes are an integral part of the financial statements.

derived from business activities that are unrelated to their exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of our mission.

Property and Equipment

We record property and equipment additions over \$5,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

We review the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended December 31, 2023. Furniture and equipment were fully depreciated as of 12/31/2023 with no new furniture and equipment purchased in 2023.

Subsequent Events

The Organization has evaluated subsequent events through September 4, 2024, the date which the financial statements were available to be issued.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 900,900
Accounts receivable	<u>\$ 185,284</u>
	<u>\$ 1,086,184</u>

In accordance with the Organizations agreement with ESD 112, ESD 112 advances funds to meet direct service payroll obligations.

NOTE 3 – CONCENTRATIONS

The Organization operates in and serves primarily Clark County, Washington. Approximately 93.2% of the organization’s support came from one governmental source. Events affecting the funding source may impact the services provided by SELF. Accordingly, the Organizations accounts receivable are highly concentrated as well.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2023:

	<u>2023</u>
Furniture and equipment	\$ 27,800
Software	<u>\$ 9,079</u>
	36,879
Less accumulated depreciation	<u>(36,879)</u>
	\$ -

Depreciation expense totaled \$7,127 for the year ended December 31, 2023.

NOTE 5 - LEASES

In February 2019, the Organization leased office space under an operating lease that expires in February 2022. A new lease was signed in November 2022 and extends through November 2025. Future minimum lease payments, including the lease executed subsequent to year end, are as follows:

<u>Years Ending December 31,</u>	<u>Leases</u>
2024	\$ 22,709
2025	<u>20,818</u>
	\$ <u>66,236</u>
2023 Rent expense	\$ <u>22,709</u>

NOTE 6 – EMPLOYEE BENEFITS

The Organization sponsors a tax-deferred annuity plan (the Plan) qualified under IRC Section 401(k) covering substantially all full-time employees and part-time employees working over 1,000 hours in a calendar year. The Plan provides that employees who have attained the age of 18 and completed at least 60 days of service may voluntarily contribute a percentage of their earnings to the Plan, up to the maximum contribution allowed by the IRS. Employer contributions are discretionary and are determined and authorized by the Board of Directors each plan year. During the year ended December 31, 2023, the Organization matched employee voluntary contributions at 50% up to 5 percent, resulting in Employer contributions to the plan of \$50,916 and Employee Contributions of \$148,648

NOTE 7 – FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, insurance, and other, which are allocated on the basis of estimates of time and effort.